

**For:** State and County Offices

**Debt Collection Improvement Act (DCIA) and Federal Judgement Lien Provisions  
Applicable to the Farm Storage Facility Loan (FSFL) Program**

**Approved by:** Deputy Administrator, Farm Programs



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**1 Overview**

**A  
Background**

The Agriculture Rural Development Food and Drug Administration, and Related Agencies Appropriation Act, 2001 (2001 Act), signed October 28, 2000, contained a provision that exempts marketing assistance loans and LDP's from the DCIA of 1996. However, any payment made by CCC to a producer as a result of the amendment shall be credited toward any delinquent debt owed by the producer to FSA.

U.S.C. Title 28, Section 3201, enacted in 1999, provides that a debtor with a judgement lien against the debtor's property as a result of debt to the United States shall not be eligible to receive any grant or loan which is made by the Federal Government until the judgement is paid in full or otherwise satisfied.

**B  
Purpose**

This notice:

- reminds State and County Offices that the DCIA amendment did not exempt the FSFL Program
- informs County Offices that FSFL loans cannot be approved if there are unresolved Federal judgements against applicants.

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**Disposal Date**

October 1, 2001

**Distribution**

State Offices; State Offices relay to County Offices

## Notice FSFL-15

### 2 County Office Action

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#### A

##### **DCIA Compliance**

To ensure DCIA compliance for FSFL applicants, County Offices shall follow the provisions in 1-FSFL, subparagraph 46 C.

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#### B

##### **Outstanding Judgements**

The FSFL applicant and anyone who will sign CCC-186, shall not have any outstanding unpaid judgements obtained by the United States in any court.

**Exception:** Such judgements do not include those filed as a result of action in the United States Tax Courts.

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#### C

##### **Judgement Liens**

County Offices shall:

- perform searches of recorded judgement dockets to identify applicants who may have outstanding Federal judgements
  - not approve FSFL applications for applicants who have unresolved Federal judgements filed against them
  - continue loan processing if applicants prove they have satisfied Federal judgements
  - not use FSFL proceeds to pay Federal judgements.
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#### D

##### **Publicity**

County Offices shall publicize the contents of this notice immediately by all available means.

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